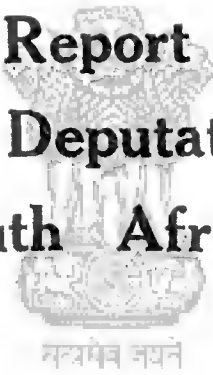




Interim Report of the Indian Deputation to South Africa



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To

THE SECRETARY TO THE GOVERNMENT OF INDIA,
DEPARTMENT OF EDUCATION, HEALTH AND LANDS,
DELHI.

SIR,

Before leaving Delhi the leader of the deputation, Mr. G. F. Paddison, was instructed to despatch an interim report by the middle of January embodying such information as might have been collected by that date. We therefore submit the following report based on the impressions and data which we have so far been able to collect. We were instructed to investigate and report on the economic condition and general position of the Indian community resident in the Union. In the economic sphere we were required to obtain information, so far as possible, regarding the occupations in which the majority of Indians are engaged, their average standard of living in each category of occupation and the extent to which they compete with other classes of the population. In our survey of the general position we were requested to pay special attention to the educational and sanitary standards of various sections of the community. Finally, we had to ascertain the causes of the prejudice against the Indian existing among the white population of South Africa and to formulate proposals which, in the peculiar circumstances of the Union, would have a fair chance of mitigating the stress of economic rivalry and alleviating social tension between the two races.

2. Mr. Paddison, leader of the deputation and the Honourable Syed Raza Ali sailed from Bombay on the 25th November, 1925. The Secretary, Mr. G. S. Bajpai, C.B.E., I.C.S., and Mr. C. S. Ricketts accompanied them. Information was received on the 3rd December at Mombassa that Sir Deva Prasad Sarvadhi-kary, Kt., C.I.E., was to be the third member. He arrived at Durban on the 30th December and joined the party at Johannesburg on the 31st. We attach a copy of our itinerary (Appendix B), which gives the list of places so far visited by us and the duration of our stay at each centre.

3. As the immediate cause of our visit to the Union was the introduction of the Areas Reservation, Immigration and Registration (Further Provision) Bill we devoted considerable time on the voyage to the study of its provisions and the sequence of events of which it was the product. We prepared, largely for our own guidance, a tentative questionnaire (Appendix A), for we realised

that in the time at our disposal it would be impossible to make it the basis of a formal examination of witnesses. For statistical data we decided to seek the aid of officials and public bodies whose primary concern it is to collect and maintain them. To get a correct appreciation of the general atmosphere we felt that personal, informal and, where so desired, private discussion with representative Indians and Europeans would yield the best results. We also decided to consider any memoranda that individuals or bodies interested in the problem might submit to us. The method of personal discussion we followed largely throughout our enquiry. It helped to secure to us the confidence of many who but for the assurance of privacy would probably not have given us the benefit of their experience and opinions. If we have mentioned few names, whether to support a statement or to indicate to whom our debt of gratitude for assistance courteously and ungrudgingly rendered is heavy, it is not because their number was small but because the pledge of secrecy precludes the possibility of a public invocation of their authority or avowal of our obligation. Happily this restriction does not apply to our acknowledging the help we received from Mr. J. R. Hartshorne, Principal Immigration Officer and Registrar of Asiatics for the Transvaal who was our official cicerone during our stay in the Union, or to the various Government and Municipal officials with whom we had to deal in the course of our enquiry. We are equally happy to record our appreciation of the unfailing co-operation which was extended to us by the principal office bearers of the South African Indian Congress and other bodies whether affiliated to it or otherwise. Messrs. Kajee and S. R. Naidu in Natal and Mr. Narsu in the Transvaal were indefatigable. In the Cape Province, where we have only been a few days, Dr. Gool and Mr. Nooruddin have proved most helpful. We would also take this opportunity to express our gratitude to the Government of the Union of South Africa for the arrangements which they made for our travelling. Of Indian hospitality in every centre that we visited we cannot say enough. The highest tribute we can pay to it is that it was worthy of India.

4. On reaching Durban on the 16th December, we immediately settled our programme of visits in consultation with members of the various provincial executives of the South African Indian Congress who had kindly prolonged their stay in Durban in order to meet the portion of the deputation that arrived by the S. S. "Karagola". From Durban we visited Stanger, Verulam, Tongaat, Pinetown, South Coast Junction and a number of other suburbs; from Glencoe, the collieries at Burnside and Dannhauser besides Dundee; from Johannesburg, Potchefstroom and the Asiatic Bazaars, commonly called locations, at Springs, Benoni, Germiston, Boksburg and Vrededrop. We were thus able to acquire a fairly comprehensive, if necessarily, hurried idea of the

conditions under which the different classes of Indians live and work. These visits of inspection proved invaluable in supplementing the information that we were able to collect from witnesses.

5. The year 1921 is a convenient starting point for our survey. The last census of the Union was completed in that year. The Asiatic question formed the subject of an authoritative inquiry in 1920-21 with special reference to Asiatic rights in respect of trade and acquisition of immovable property. In Natal, anti-Asiatic feeling found expression in the Provincial Legislative Council in a definite proposal to take away the municipal franchise from the Asiatic. We deal later on with the origin and growth of this feeling. At this point we shall endeavour to analyse the data collected in the last census and since in so far as it helps to illustrate the general and economic position of the Indian community in South Africa.

6. The total Asiatic population of the Union in 1921 was 165,731, 161,339 of these were Indians of whom 102,323 were born in South Africa. Between the censuses of 1911 and 1921 the Asiatic element increased by 8·89 per cent., or at a rate considerably less than 1 per cent. per annum. The corresponding figures of progression for the European population were 19 and 1·9 per cent. In this connection it must be noted that during the decennium ending 1921, 25,935 Indians returned permanently to India. In the Cape and Natal Provinces the males decreased by 13·02 per cent. and 2 per cent. respectively, and the bulk of the numerical increase was among females.

The provincial distribution of Asiatics at the census of 1921 was as follows :—

Cape Province	7,696
Natal	141,649
Transvaal	15,991
Orange Free State	395

73,205 Asiatics were resident in towns, the rest in rural areas. Classified according to age 50,294 were below 10; 31,507 were between 10 and 19; 49,663 between 20 and 39; 19,104 between 40 and 50 and 14,164 over 50. According to sex, 97,336 were males and 68,395 or 41·27 per cent. were females.

7. **Religion.**—Two-thirds of the total Asiatic population were Hindus, 16 per cent. were Mohamedans, 7·5 per cent. Buddhists (these were mainly Chinese) and 5·3 per cent. Christians.

8. (a) The following tables which are taken from a special report relating to the Asiatic population of the Union issued by

the Census Department in 1924 give details of the distribution of Asiatics in various occupations :—

	Natal.	Transvaal.	Union.
(i) <i>Class of Personal Occupation (15 years of age and over).</i>			
Fishermen	131	...	147
Agricultural Occupations	19,023	358	19,478
Mining and Quarrying Occupations	1,816	184	22,025
Workers in the Treatment of non-Metalliferous Mine and Quarry Products (excluding Workers in Gas Works)	19	...	19
Makers of Bricks, Pottery, Glass, etc.	200	2	202
Workers in Chemical Processes; Makers of Paints, Oils, etc.	453	1	458
Metal Workers (not Electro-plate or Precious Metals)	398	29	448
Workers in Precious Metals and Electro-plate	201	4	210
Electrical Apparatus Makers and Fitters (not elsewhere enumerated) and Electricians	8	1	10
Makers of Watches, Clocks and Scientific Instruments	62	7	77
Workers in Skins and Leather and Makers of Leather and Leather Substitute Goods (not Boots and Shoes)	18	1	26
Textile Workers	16	10	28
Makers of Textile Goods and Articles of Dress	362	247	771
Makers of Foods, Drinks, and Tobacco	952	21	1,015
Workers in Wood and Furniture Makers and Workers in Paper, Printers	773	96	936
Bookbinders, Photographers, etc.	268	5	280
Builders, Bricklayers, Stone and Slate Workers	272	14	316
Contractors	226	8	245
Painters and Decorators (not pottery)	46	...	51
Workers in other materials	25	...	26
Workers in mixed and undefined Materials (not elsewhere enumerated)	12	...	12
Persons employed in Gas, Water and Electricity undertakings (not elsewhere enumerated)	2,958	65	3,513
Persons employed in Transport and Communications	4,625	4,734	12,073
Commercial, Finance and Insurance Occupations (excluding clerks)	1,720	15	1,752
Persons employed in Public Administration and Defence (excluding Professional Men and Typists)	328	60	412
Professional Occupations (excluding Clerical Staff)	68	9	82
Persons employed in Entertainments and Sport	4,250	1,116	6,006
Persons engaged in personal service (including Institutions, Clubs, Hotels, etc.)	518	387	934
Clerks and Draughtsmen (not Civil Service or Local Authority) Typists	218	75	310
Warehousemen, Storekeepers and Packers	239	1	255
Stationer, Engine Drivers, Dynamo and Motor Attendants	8,606	638	9,510
Other and Undefined Workers	192	23	222
Retired	49,002	8,055	61,909

Class of Occupation (Personal).	Natal.	Transvaal.	Union.
(ii) <i>Occupations of Asiatics in the Union— Females—Census 1921.</i>			
Fishermen	2	...	2
Agricultural Occupations	1,776	7	1,784
Makers of Bricks, Pottery, Glass, etc.	4	...	4
Workers in Chemical Processes, Makers of Paints, Oils, etc.	16	...	16
Metal Workers (not Electro-plate or Precious Metals) . . . . .	...	...	...
Workers in Skins and Leather, and Makers of Leather and Leather Substitute Goods (not Boots and Shoes)	13	1	14
Textile Workers	13	...	13
Makers of Textile Goods and Articles of Dress	14	15	42
Makers of Foods, Drinks, and Tobacco	63	...	63
Workers in Wood and Furniture	15	...	17
Makers of and Workers in Paper, Printers, Bookbinders, Photographers, etc.	3	...	3
Workers in other Materials	10	...	10
Workers in mixed or undefined Materials (not elsewhere enumerated) . . . . .	...	...	...
Persons employed in Gas, Water, and Electri- city undertakings (not elsewhere enumerat- ed)	2	...	2
Persons employed in Transport and Com- munications	15	...	15
Commercial, Finance, and Insurance Occu- pations (excluding clerks)	403	114	601
Persons employed in Public Administration and defence (excluding Professional men and typists)	44	...	44
Professional Occupations (excluding Clerical Staff)	70	1	71
Persons employed in Entertainment and Sport	2	...	2
Persons engaged in Personal service (includ- ing Institutions, Clubs, Hotels, etc.)	1,207	105	1,181
Clerks and Draughtsmen (not Civil Service or Local Authority) Typists . . . . .	...	...	...
Warehousemen, Storekeepers, and Packers	11	2	14
Other and Undefined Workers	27,403	2,302	30,686
Retired	78	3	82
	30,984	2,550	34,668

NOTE.—Details are not given regarding the Orange Free State or the Cape as the Asiatic population of these provinces is small. They are, however, included in the total for the Union.

(b) The following figures are taken from the Census of Manufacturing Industries, 1917-18.

No later figures are available, as the Statistical Council decided, in order to simplify the returns, that the particulars should be furnished for subsequent years only in respect of all non-European races combined.

Class of industry No. V—Preparation of Food, etc.,—is mainly composed of employees in the sugar industry, which, in the year

1917-18, employed 5,257 Asiatic males and 811 Asiatic females.

Industrial Census, 1917-18.

Province and Industrial Area.	NUMBER OF EMPLOYEES			WAGES. £
	Male.	Female.	Total.	
Cape	277	12	289	15,390
Natal	10,559	1,259	11,798	333,162
Transvaal	231	2	215	13,250
Orange Free State	11	...	11	324
Union	11,040	1,273	12,313	363,126
Cape Peninsula	132	2	134	7,391
Port Elizabeth	54	5	59	3,558
Durban	4,190	412	4,602	194,878
Witwatersrand	178	2	180	11,244

Class of Industry.

I. Treatment of Raw Material, etc.	87	8	95	2,739
II. Process in Stone, etc.	443	4	447	12,933
III. Working in Wood	501	80	581	14,335
IV. Metal, Engineering, etc. Works	645	...	645	24,918
V. Preparation of Food, etc.	6,858	1,026	7,884	206,610
VI. Clothing and Textile Fabrics	279	66	345	16,931
VII. Books, Paper, Printing, etc.	285	...	285	17,001
VIII. Vehicles, etc.	78	...	78	3,895
IX. Ships and Boats	50	...	50	2,626
X. Furniture, etc.	309	4	313	15,640
XI. Drugs, Chemicals, etc.	1,129	85	1,214	30,425
XII. Surgical, etc., Instruments	...	...	...	...
XIII. Jewellery, etc.	31	...	31	1,592
XIV. Heat, Light and Power	102	...	102	2,870
XV. Leather and Leatherware	139	...	139	4,394
XVI. Building and Contracting	86	...	86	4,371
XVII. Other Industries	18	...	18	846

9. (1) **Economic Conditions.**—No accurate figures of the income of Indians employed in trade and the more lucrative professions are available as the returns of income-tax do not show the races of the assesses separately. All we could elicit from personal inquiries was that the incomes of Indians engaged in trade vary considerably. At one end of the scale is the wholesale merchant or large retailer who reaps a handsome profit every year. Some of them own valuable properties in the principal towns in Natal, the Transvaal and the Cape. The following table gives figures of the value of immovable property owned by Indians in some of the more important municipalities from which alone we were able to obtain the necessary information :—

	£
Durban	1,248,740
Pietermaritzburg	138,820
Ladysmith	116,455
Newcastle	46,790
Dundee	25,256
Estcourt	22,905
Pretoria	150,000
Mafeking	21,876

(2) **Agricultural farmers and Market-gardeners.**—The number of Indians who do farming on a large scale is strictly limited. We visited the estate of one of the sons of Mr. Bodha Singh near Stanger which is approximately 1 000 acres in area and is devoted to the cultivation of sugar cane. Mr. Parekh, a wealthy merchant of Durban, also has a large farm. In Glencoe we met one Mr. Singh, who acquired a large plot of land about two years ago. In the Transvaal Mr. D. Patel also has a large farm not far from Vereeniging. But the average Indian cultivator has small holdings varying from 1 to 4 or 5 acres and his main occupation is market gardening. They abound in the neighbourhood of Durban but are to be found in every township in Natal except in the Northern districts which were annexed after the last Boer War. Some of them own their own land but most of them hold it on lease, generally from European and, in some cases, from Indian landlords, on monthly or yearly tenure. And as the Asiatic Inquiry Commission pointed out their position is insecure for they are frequently pushed out after they have cleared the bush and developed the land. Besides the market gardener there is the ex-indentured labourer who bought a small plot of land out of his savings and now grows his own cane which he sells to the nearest factory. The number of these is considerable. We tried to ascertain separately the area of agricultural land held by Indians in Natal under proprietary or leasehold title, but without success. The Report on the Agricultural and Pastoral production of the Union published by the Census and Statistics Office gives the area of Indian farms under sugar cane only.

It was impossible for us to ascertain the average monthly earnings of this class of Indian. Most of them are illiterate men and keep no accounts. The great majority among them did not appear to us to be strikingly prosperous. Rather they seemed to be on the border line of poverty which in no small measure accounts for the dilapidated and somewhat insanitary condition of their dwellings. The rent they pay is, on the whole, high and the margin of profit just sufficient for subsistence.

(3) **Agricultural labour.**—Separate figures of wages paid to Asiatics in different industries also do not appear to have been collected. From the labourers engaged in the sugar industry whom we met, we ascertained that their wages vary from 50 shillings to £6 per mensem besides rations, the cost of which is estimated from 9d. to 11d. per diem. The higher wage is paid to the Sirdar who is in charge of gangs working in the fields and to skilled operatives in the sugar refineries. The average monthly earnings of the male field labourer approximate to 50 shillings per mensem besides rations. These workmen are housed in barracks constructed by the employer and are also entitled to free medical treatment for which the employer has to pay a daily fee of 1s. 6d. for the

period of a patient's detention in hospital and a flat monthly contribution of the same amount for each labourer employed. The condition of the barracks varies very much. At Tongaat we were shown a settlement consisting of separate cottages, each standing in its own compound, which were a model of cleanliness. On the other hand, near South Coast Junction we saw a collection of narrow low roofed quarters built in rows and devoid of privacy, in many of which families of five were residing, though the accommodation would barely suffice for two. It is inevitable that the general sanitary condition of these dwellings should be unsatisfactory. The blame for this lies largely with those responsible for the construction and upkeep of these quarters. Unfortunately, the majority of barracks which we were able to inspect, whether on cane fields or on mines, approximate to these in type. As regards the efficiency of this class of Indian we heard nothing but praise. He is more industrious and more reliable than the native whose work is haphazard and sojourn in employ uncertain. Generally, the Kaffir cannot be trusted to keep an engagement for more than six months.

(4) **Mining Industry.**—In the mining industry the majority of Indians are employed on the coal mines in Natal for “picking, lumbering, loading, track clearing”, as pump attendants, drivers, greasers, fitters, drill sharpeners, stokers, haulage boys, etc. Their average wages vary from 1s./10d. to 4s./8d. a shift, or £2-10-0 to £6 per mensem besides rations, the cost of which varies from 8d. to 10½d. per day. Generally, they do a class of work for which neither the white man nor the native would be an adequate substitute. The Manager of the New Tugela Colliery in the Vryheid district told us that his Indian employees were in every way efficient and satisfactory. On gold mines the number of Indians working is small. In 1924 there were 138. None are employed on diamond mines. We were informed that the diamond companies prefer to standardise their labour force as much as possible, and draw it mainly from natives of whom even convicts are employed. From figures supplied to us by the Government Engineer of Mines, it appears that the Indian employee on mines is diminishing in numbers. Between 1920 and 1924 there was a drop from 3,139 to 2,224.

10. **Education.**—It was only for Natal and the Transvaal that we were able to get figures of Indian pupils receiving instruction in Government, aided or private schools. In the Cape Province, Indians attend the same institutions as the coloured people and are not separately classified. Any facts of interest relating to this province that we may be able to ascertain hereafter, we hope to communicate later. The table at Appendix C gives the information that we were able to collect in respect of Natal and the

Transvaal. Indians cannot, in practice, be admitted into Universities. In Natal for elementary education they have to pay fees while European children do not. This in spite of the fact that both races pay the wheel tax which is supposed to be earmarked for education.

The points worthy of note are (1) that there is no provision in the Union for the higher education of Indians, and (2) that even for school education the facilities provided fall far short of requirements. Private munificence, of which the institutions founded by the late Parsi Rustomjee in and about Durban, and the Indian school at Johannesburg, are noble monuments, might, if it were more generously forthcoming, partially help to improve the situation. But no real progress can be made without substantial Government aid.

11. **Sanitation.**—We have already referred to the poverty of the small Indian cultivator which is mainly responsible for the insanitary condition in which he lives. In the suburbs of Durban and the villages in the adjoining districts which we visited, we found that there is little effective sanitary control and little attempt made to provide sanitary amenities. We were told that this state of affairs is not the result of racial discrimination but of financial stringency. This may be one cause but it is important to recognise that without organised effort on the part of the authorities it is impossible to expect any real improvement. Individual effort must be supplemented by state assistance.

The problem of rural sanitation concerns the Indian mainly in the province of Natal. In the Transvaal it is pressing in the "so-called Asiatic bazaars" which have been established near proclaimed townships on the Witwatersrand. We visited these areas at (1) Springs, (2) Benoni, (3) Boksburg, (4) Germiston, (5) Vrededorp, and (6) Pretoria. We also saw the Asiatic Bazaar at Potchefstroom. That township, however, is not on the Witwatersrand.

In paragraphs 121-125 of their report, the Asiatic Inquiry Commission described these bazaars as 'neglected,' 'insanitary,' 'crowded' and "not calculated to inspire confidence in a general policy of segregation." We can add little to this description. Boksburg and Vrededorp still enjoy their unenviable pre-eminence. In the other bazaars conditions are not much better. There is a regular sanitary and water service provided by the Municipality, and in some bazaars there are electric lights in the streets. But these amenities only serve to accentuate the general impression of neglect and squalor which alone lingers in the mind. The houses are decrepit and unkempt; and the roads are worn and in disrepair. It is possible that these conditions are allowed to continue because

the local authorities for some reason consider that they would not be justified in utilising rates and taxes which they levy from Europeans and Indians outside for improving Asiatic locations. The Indians who met us pointed that even if they could overcome their repugnance to live in such an environment, the insecurity of tenure on which they are allowed to hold land is an insurmountable obstacle to the investment of capital in building. The point requires explanation. At Boksburg there are two bazaars and the exact tenure on which Indians hold land in the older is somewhat obscure. In the new bazaar in this township and, with one exception, the others that we have enumerated, Indians can only construct houses on plots technically known as stands which in strict theory the Municipality leases out to them from month to month. (The exception is Pretoria and there we were told the tenure of lease is 21 years though the Municipality are trying to reduce it to one month.) We pointed this out to the Mayor of Germiston who recognised the force of the Indian argument. He promised to give the matter careful consideration. But real progress can only come when the Administration is imbued with a genuine spirit of sympathy with the Asiatic. At present the Asiatic lacks the municipal vote which constitutes the most effective weapon to ensure redress. The local authorities who owe him no responsibility are naturally apt to overlook his grievances. And things continue as they are.

Indian Shopkeepers.—Complaints were made to us by several Europeans that the Indian shopkeepers are not sanitary in their habits. We inspected a large number of their residences and, as was to be expected, conditions were far from uniform. Some houses were as good as those of Europeans of the same position in life. Some were even better. A good number were bad. The remedy for these is a judicious application of sanitary laws.

12. We shall now address ourselves to the Indian problem of which the solution contemplated in the Areas Reservation, Immigration and Registration (Further Provision) Bill was immediately responsible for our visit to South Africa. The Asiatic Enquiry Commission which carefully investigated the position in 1920-21 had unanimously recommended that there should be no compulsory segregation of the Asiatic whether for purposes of residence or of trade. Like its predecessor the Class Areas Bill of 1924, the present Bill seeks to make both commercial and residential segregation compulsory. The Commission somewhat illogically and with one dissentient, proposed that in Natal the right of Asiatics to acquire and own land for farming or agricultural purposes should be confined to the coast belt. This proposal did not meet with the approval of the previous Government and was

not included in the Class Areas Bill. Clause 10 of the new measure purports to apply the restrictions proposed by the Commission for agricultural land to all immovable property except in class areas. The Commission found that there was practically no illicit immigration of Asiatics into the Union and merely suggested that the existing law should be strictly enforced. The new Bill prescribes a time limit after which even the wives and children of Asiatics lawfully domiciled in the Union may not be admitted into the country and purports to impose fresh restrictions on inter-provincial migration. Our first duty, therefore, was to endeavour to ascertain the causes to which this departure from the recommendations of the Commission were due. We felt it to be equally important to find out the general attitude of the Indian community towards the various provisions of the Bill, the manner in and extent to which the policy embodied in Chapter I of the measure would affect their vested interests, and the line of action which they intended to take in regard to it. And, subject to the requirements of caution, which our terms of reference and conditions under which the Union Government had agreed to receive us enjoined, we also decided that we should plead informally with persons of influence whom we might see, for a fuller understanding and a broader treatment of the question.

13. It was to the European that our inquiries into the reasons for the adoption of the policy underlying the Bill were primarily directed. They revealed the existence of an almost unanimous feeling that the Indian was a menace, and that the Bill provided at least a partial if not a perfect panacea. The chief complaints against the Indian made to us in Natal were that (1) he kept the European out of (a) trade and (b) to a lesser but growing extent, industry, (2) sought social equality with the European by penetrating into residential areas where his presence was unwelcome and tended seriously to lower the value of adjoining European property, (3) was distrustful of Government whose most beneficent measures, *e.g.*, the Public Health Ordinance he challenged and (4) constituted a distinct and unassimilable element in a country where political, economic and social problems were already complicated by the existence of races so fundamentally different, as the Native and the European. In the Transvaal stress was laid mainly on trading competition. In the Cape where his numbers are comparatively small and racial relations more tolerant—this does not imply that the Indian has no grievances in the Cape Province—we found in the places that we have so far visited little disposition to challenge his privileges and rights. His success in trade was attributed to his low standard of living, which enables him to get assistants of his own race at a lower wage, and generally to effect substantial economies in overhead charges. His inacceptability as a neighbour was said to be due to his habits which differ from those

of the European considerably, and to strong colour feeling which is inherent in the members of both the white races domiciled in the country.

If we had anticipated the complaint in regard to commercial competition, after the definite conclusion recorded on the subject by the Asiatic Enquiry Commission in paragraph 173 of their report, we were less prepared for the allegation that the Indian was also ousting the European from skilled trades. We decided to investigate both.

14. **Trade.**—We requested the Provincial Secretary, Natal, on the 18th December to supply us with comparative statistics of licenses for trading issued and refused to Europeans and Asiatics respectively in 1921, 1922, 1923 and 1924. These statistics have unfortunately not yet reached us. We also took the precaution of enquiring from the Provincial Secretary, whom we saw at Pietermaritzburg, and the responsible officials of all the municipalities in the Provinces that we visited, whether the restrictive policy pursued by local bodies in the past in the matter of granting trading licenses to Asiatics had undergone any modification during the last few years. The Provincial Secretary admitted that the Natal Rural Dealers' Licensing Ordinance, which became operative in 1924, was being administered in the same spirit in rural areas as Act No. 18 of 1897 which applies to boroughs and townships. The Municipal authorities informed us that their own stringent policy had in no way been liberalised. In Durban, a distinguished and public-spirited Indian gentleman, the late Mr. Parsi Rustomjee, had leased a plot of land from the Corporation 40 years ago. On his death the trustees of his estate asked for a continuation of the lease on the condition that the site will be utilised for some public purpose. Nevertheless, notice has been given by the Corporation that it must be vacated. At Pietermaritzburg we found that the powers vested in local bodies by the Natal Urban Land Alienation Ordinance had only recently been utilised to displace a number of Indian traders from some premises which the Town Council had recently acquired. These premises had been occupied by the Indians concerned for a considerable number of years and they were now being ousted merely because they are situated near the European trading quarter. At Ladysmith and Dundee, the Indian community gave us several instances in which applications for the transfer of a business, even to adjoining premises, were refused. At Dundee, we saw a shop in the Indian business quarter for which the Municipality had refused to grant a license to Indians, but had given it to a Pole. The Licensing Officer of Durban informed our Secretary that nearly 50 per cent. of transfer applications were refused. In the circumstances we had ample justification for the inference, which detailed statistics can only strengthen, that in the sphere of trade the Indian is not progressing in Natal. In Dundee

and elsewhere we were shown several premises which, according to our Indian informants, had formerly housed thriving Indian concerns that had closed down during the trade depression and were not allowed to revive owing to the peculiar administration of the Licensing Laws. We should be surprised, therefore, if the municipal statistics, when received, do not show an actual set-back in the Indian position.

15. We were informed that part of the European alarm at the supposed extension of Asiatic trading was due to the feeling that such extension proportionately restricted the scope of activities in which the younger generation of white South Africans could engage. On the other hand our Indian commercial witnesses strongly contended that their place was being taken not by Europeans born in the Union, but by Greeks, Jews and Syrians. Several Europeans supported this view and stated that these foreigners were largely behind the anti-Asiatic propaganda. As licensing statistics do not classify licensees according to their nationality or country of origin, we are not in a position to say how far the view that the place vacated by the Indian in trade is being monopolised by these aliens is correct. At Vryheid, however, where Indians are not allowed to trade, we ascertained from the Town Clerk that out of 101 general dealers licenses issued during the year 1925, 54 were granted to persons of British and Afrikaander origin and 47 to foreigners. If these figures are at all characteristic of the province, there would appear to be considerable force in the contention that the exclusion of the Indian from trade will primarily benefit outsiders.

16. Our inquiries also brought out the fact that except in places like Stanger and Verulam, which are practically Indian settlements, municipal policy has already resulted in the separation of Asiatic trading areas from Europeans. In Durban, the majority of Indian businesses are concentrated in a few streets, though some of the older firms are still scattered about in the principal European commercial thoroughfares. In Pietermaritzburg there are only one or two Indian shops in the main business streets of the town. In Ladysmith the Indian shops are to be found only at the end of the chief shopping area. In Dundee the Indian trading quarter is entirely separate from the European.

17. **Transvaal.**—In the Transvaal the trading activities of Asiatics are restricted in two ways. The first restriction results from the limitations to which they are subject in respect of purchasing or leasing immovable property. Inside public diggings proclaimed under the Gold Laws (Acts 34 and 35 of 1908, and Act 37 of 1919) they cannot own fixed property, including stands inside and outside townships, directly or indirectly, except in such localities as Government for sanitary reasons may assign to them for the purpose of residence. The Asiatic bazaars at Springs and

Benoni, etc., are examples of such localities. They are used not merely for residence but also largely for trade. They cannot acquire leases with respect to stands outside townships granted after the Gold Law of 1908 came into force. They cannot lease lands within townships whether now held under the Gold Law title or under a title converted into free hold under the Township Act No. 34 of 1908. Except those who on the 1st May 1919 were carrying on a duly licensed business on proclaimed lands and townships, Indians have practically no scope for extending their commercial operations in these localities which are perhaps the busiest and most prosperous part of the Transvaal. Indian merchants whom we saw at Johannesburg confirmed this. In the areas outside public diggings they can acquire leasehold but not proprietary rights with respect to immovable property, and can obtain general dealers' licenses to trade anywhere. The administration of the new Transvaal Dealers (Control) ordinance which makes the acquisition of licenses dependent upon the approval of local authorities will, we fear, operate to close this avenue. In centres like Krugersdorp, Potchefstroom, Zeerust and Volksrust where anti-Asiatic feeling has been strong for some time the number of general dealers' licenses held by Asiatics has already diminished. The following figures illustrate this :—

	1920.	1921.
Krugersdorp	139	115
Potchefstroom	99	78
Volksrust	25	19
Zeerust	54	47

Several Indians expressed the fear that since they are not represented on local bodies while their rivals are, the new ordinance will make their position worse. In view of the history of the licensing administration in the Transvaal, we feel that their apprehensions may be well founded.

18. In the Orange Free State Indians are not allowed to trade. In the Cape Province we have so far only visited Kimberley, and Cape Town. The Town Council at Kimberley assured us that they make no racial discriminations against Indians in respect to licenses. The figures supplied by them to us support this. The local Indians also told us that they had no complaints in regard to Kimberley, though they pointed out that difficulties were being experienced in the suburbs. It is possible that when figures from other Municipalities are received the existence of a restrictive tendency may be disclosed in some parts of the Cape also.

19. Segregation for purposes of trade does not appear to have been attempted in this province. Asiatics and coloured are to be found scattered through all quarters. Nor have we discovered any feeling in favour of separation. On the contrary several

Europeans expressed themselves against it. The coloured population, though they are exempted from the segregational provisions of the new Bill, are likely to oppose it. They are not sure that their exemption will be permanent. As both Indians and Coloured possess the Municipal franchise, municipalities will probably be reluctant to put them into separate areas against their will.

The need for and implications of the legislations contemplated to ensure commercial segregation need therefore be considered only for Natal and the Transvaal. First as to the need for such legislation. As we have explained, in neither province is the Indian trader really making any headway. He might have captured the native trade from the European in the past but now he is practically on the defensive. European opinion is now fully able to control licensing policy both in Natal and the Transvaal, and existing laws are being administered with a view to restrict Asiatic trade. Even if segregation provided an effective check to the growth of Asiatic competition, it would be unnecessary, for competition is not growing. In the second place segregation will not rid the European trader of the Asiatic competition unless trading by Asiatics is absolutely prohibited or relegated to special bazaars similar to those we saw on the Witwatersrand where it would practically be limited to members of his own race or natives. The Chief Justice of the Supreme Court of the Transvaal remarked in *Habib Motans* case in 1904 that if the commercial dealings of the Indian were to be restricted to the location situated outside the town proper and peopled by men of his own race, in which he lived then he might not for practical purposes trade at all. The same remark would be true if the Asiatic's trade were confined to his own people and the natives. It would mean the ruin of what might be called the upper and middle Asiatic trading class of South Africa. This we hope is not the intention of the authors of the Areas Reservation, Immigration and Registration (Further Provision) Bill. Thirdly we greatly doubt whether restrictions of Asiatic trading would enlarge the economic opportunities of the rising generation of white South Africans born in the Dominion for whom a large number of the European community expect considerable benefits from the Bill. We are clear, therefore, in our own mind that the need for Asiatic competition has not been established.

20. We indicate briefly below the implications of the Areas Reservation, Immigration and Registration (Further Provision) Bill with respect to commercial segregation :

(1) In Natal and the Transvaal a large number of Indian traders who are now carrying on business in premises leased from Europeans will have to remove into class areas without any compensation for loss of good will and existing local advantages. Both

in Natal and the Transvaal written leases are by no means universal and every written lease does not contain an option of renewal. In the Transvaal where Indians can no longer buy immovable property a considerable proportion of Indian traders do their business in premises hired from Europeans. We were also told that in this Province no leases are granted for more than 9 years and 11 months. Sub-Clause (2) of clause 5 of the Bill and the proviso to clause 4 thereof will not therefore adequately protect this class of trader in the Transvaal.

(2) Sub-clause (2) of clause 3 of the Bill does not provide for the renewal of a license to the heir, relation or successor in interest of an Indian carrying on business outside an Asiatic class area. If it becomes law as it stands, Asiatic businesses outside such areas will be totally extinguished within a generation and persons who now expect to succeed to them as a matter of right will not get even compensation for the loss of advantages and opportunities involved. The Licensing Officer of Durban told our Secretary that in his municipality renewals are granted as a matter of course to the son or successor of an Indian. So far as we know this is the general practice. The statutory restriction now proposed will therefore also be contrary to the existing policy of local bodies which are by no means partial to Asiatics. On ordinary considerations of equity we are strongly of opinion that it will be unfair.

(3) We have already described the conditions which prevail in Asiatic bazaars in the Transvaal. Indians in Natal and those outside the bazaars in the Transvaal fear that if commercial segregation is enforced they will in course of time be relegated to such slums. From what we saw of locations in the Transvaal and what we know about the trend of licensing policy in Natal we confess that we are inclined to share their fears. Our Secretary was privately informed by officials in Pretoria that sub-clause 2 (1) (d) of the new Bill and sub-clause (1) of clause (7) are intended to safeguard against this contingency. We cannot, however, overlook the fact that the Indian will before long cease to exercise any influence over local bodies even in Natal, and this may remove all incentive on their part to attend to the needs of Asiatic areas within their jurisdiction after they have once been established. As several Indians told us, the Governor-General is too exalted and too remote to be successfully approached for the redress of such grievances.

(4) In Natal, if municipalities outside the coast belt referred to in sub-clause (1) of clause 10 of the Bill decide not to ask for any class areas, Asiatic traders who may be carrying on business within their jurisdiction in premises rented from European landlords will either have to remove inside the said belt or close down.

(5) If, as his rivals in trade hope, the Bill succeeds in eliminating the Indian trader, the consumer in South Africa will also

suffer, for he plays a definite and useful role in the life of the community. From several quarters we received confirmation of statements, which were also made by some witnesses before the Asiatic Enquiry Commission, that the Indian trader is a boon at least to the poorer elements of the white population. He also knows and supplies the requirements of the native better than any other class of trader. Many Europeans told us this. In the fruit trade in the Transvaal he has proved himself to be the most efficient agent of distribution, and his disappearance will cause considerable loss to the European fruit-grower.

21. Before we leave the question of commercial competition it would be as well to deal with the allegations that were frequently made to us that the Indian can sell cheaper than the European because his expenses are lower. Several Indian merchants strenuously challenged this. According to them, the cost of an Indian shop assistant is not less than that of a European. Besides money wages his employer has to provide him with board and lodging in addition to other amenities including, occasionally, the cost of a return passage to India. They also disputed the charge that the Indian undersells the European. They attributed their popularity with the European customer not to lower prices but to the greater courtesy and attention with which they always treat their clients. The Asiatic Inquiry Commission were of opinion that on the whole (1) the Indian's scale of remuneration was undoubtedly lower than that prevailing in the European businesses and (2) that he undersold Europeans to a considerable extent. Within the time at our disposal it was not possible to verify this finding. The expenses of the bigger Indian merchant are probably not lower than those of his European rival. The position is somewhat obscure as regards the retail dealer. Several persons including Europeans told us that the standard of living of the European petty trader is no higher than that of the Indian of the same class. To estimate the cash value of wages paid in business is a matter of considerable difficulty, especially when the forms of payment differ. In any case if Indian competition is found to be unfair in this respect, the remedy is equalisation of wages and not commercial segregation. And before the legislature is asked to prescribe an antidote, the nature of the disease must be carefully investigated.

22. The charge that the Indian is now rapidly ousting the European from the skilled and semi-skilled trades was as difficult fully to investigate as it was frequently repeated. Those who made the charge could only refer to isolated trades or the stray experiences of individuals. They had no statistics; merely impressions. Official sources were equally unable to provide definite information on the subject. The Chief Inspector of Factories for the Union whom our Secretary saw at Pretoria,

stated that there were no comparative figures covering a period of years for all or most of the industries. His department had made a special survey of four, viz., Printing, manufacture of footwear, matches and Engineering. The report relating to the manufacture of footwear alone gives the numbers of persons of different races employed. These show a preponderance of the European of whom there were 2,101 working as against 134 male Asiatics. The Director of Census from whose special report relating to Asiatics we have already quoted, said that since 1917-18, particulars of non-Europeans of different races employed in the manufacturing industries are not included in the annual census. Such particulars will figure in the report of 1925-26, but this will not be ready until after April. Comparison between the figures of 1915-1916 and 1916-1917 is of no value since the increase recorded in the later year was due to the inclusion in the returns for that year of factories employing three instead of four persons or more. In 1915-1916, only factories employing four or more persons were dealt with. The only recent statistics we could get were in regard to the magisterial districts of Durban and Pine Town. These show an increase in the ratio per cent. of non-European employees to total employees in the tailoring industry from 39 per cent. in 1916-1917 to 69 per cent. in 1922-1923. During the same period there was also an increase of 17 per cent. in industries relating to the treatment of raw material, e.g., tallow refining, tanning, chaff cutting, etc. We should not be surprised if this increase represented in the main an addition to the strength of native labour. In the furniture trade the increase was only 1 per cent. In building, which was represented to us as a field where the Indian was encroaching, the percentage for 1923 is the same as for 1916-1917 and represents a steady decline from 1919-1920 when it reached 82. The complaints that we heard were probably based on developments between 1916-17 and 1919-20 when there was a progressive increase in the ratio of non-Europeans to Europeans in this trade. The same is practically true of the furniture trade, the percentage of which for 1922-23 shows an increase of only 1 per cent. In the circumstances we have no option but to conclude that complaints of Indian penetration in the field of industry have on the whole not been substantiated. Segregation could not mitigate competition in this sphere even if it were found on inquiry to be on the increase. On the contrary, as we hope to show later, clause 10 of the Bill will make the situation worse.

23. While on this subject we should like to deal with the opinion held by some people that if the Indian were only to insist on receiving the same minimum wage as the European, organized white labour would espouse his cause. We met several labour representatives in Natal and had a special conference at Johannesburg with the executive of the Association of Trades Unions. From no one

could we get a satisfactory assurance that if the Indian were to make such a stand, his European confrère would effectively support him. In the Transvaal, where colour prejudice is strongest, there would probably be objection on the part of the rank and file in most Unions to let the Indian join. In Natal, though a few Indians may belong to certain Unions, the general tendency would be the same as in the Transvaal. Even if Indians were to form separate organizations of their own, it is unlikely that they will be able to bargain successfully with the employers. Human nature being what it is, the European employer will prefer to employ a man of his own race, if he has to pay an Indian the same wage. For the same reason it would be too much to expect that when an Indian is dismissed or throws up his job because the employer will not pay him the prevailing wage for the same class of work done by Europeans, the white labourer will be unwilling to take his place. Theoretically the minimum wage idea may appear to be attractive, but we are by no means sure that its practical application will benefit the Indian. For this reason we would prefer that the actual working of the new Union Act to provide for the determination of conditions of labour and wages (Act 27 of 1925), which comes into operation this year should be carefully watched before any suggestions are made for its extension to the Indian workman in South Africa.

24. Residential Segregation.—The complaint of Asiatic penetration into European residential areas refers mainly to Natal. In the Transvaal Asiatics cannot acquire immovable property. In the Cape Province, in the towns that we have so far visited, we have seen no residential concentration of the various races into colour compartments. As regards Natal we are satisfied that the realisation of social equality is not the conscious motive of the Indian's effort to acquire property in such areas. The Indian, who has a natural pride in the continuity and traditions of his civilisation, undoubtedly resents being treated as an inferior. But in Durban where alone the question appears to be of immediate practical importance the real object of the purchaser is to live in quarters suited to his position. As the Asiatic Enquiry Commission observed there are social grades amongst Asiatics as amongst Europeans. The better class Indian has practically no outlet where he may realise this natural desire. The municipalities have provided no facilities for the purpose. We were told at Durban that one or two attempts made by the Durban Corporation to attract the poorer Indian into new settlements elicited no response from those whom the schemes were intended to benefit. We are not aware that any similar attempt was made to provide attractive residential sites for Indians of the better class. Until such attempt is made it is hardly reasonable to complain that even the wealthy Indian resides on his business premises or that he does not live up

to his means. It is equally unreasonable to contend that the natural law of separation which leads men to prefer the company of their own race will not suffice by itself to prevent the intermingling between Europeans and non-Europeans which it must be admitted Europeans in South Africa instinctively dislike. Recognition of this fact, however, does not reconcile us to the idea of racial segregation. Indian opinion in South Africa and elsewhere strongly resents it as a racial stigma. Indians in the Union apprehend that once it is statutorily introduced, the deplorable conditions which now prevail in Boksburg and Vrededorp may ultimately overtake the Asiatic class areas of the future. Practically it is unnecessary because most European owners of property are averse to selling or leasing it to Asiatics, and with a few exceptions Indians and Europeans already live apart. If a concession is to be made to European sentiment it must not be at the expense of legitimate Indian pride. Some European witnesses suggested to us that Indian susceptibilities might be saved by segregating the European. We do not regard this as a satisfactory solution as its basis also is colour or race. The only compromise which suggests itself to us is that a man's choice of his residence should be determined by the standard of civilisation to which he conforms. If an Indian lives in the European style there should be no bar to his living in the European quarters. If he prefers to keep to his own ways of life he should be given facilities to live in accordance with his position. It should not be difficult to devise means by which, without resort to special legislation a person's claim to live in a particular area might be fairly considered and adjusted. The main desideratum is that the body to which a decision in the matter might be entrusted should be representative of both races or at least absolutely impartial. If the *status quo* must be disturbed, we strongly recommend that the possibility of finding a solution on these lines should be fully explored.

25. **The proposed coast belt in Natal.**—In paragraph 2 (3) of our telegram of January 3rd, we analysed the probable effects of the restrictions contemplated in clause 10 of the Areas Reservation, Immigration and Registration (further provision) Bill. We have nothing to add to that analysis. If the provision is allowed to stand, its economic and sanitary consequence will be serious both to the European and the Indian. As we pointed out in the telegram a committee of the Durban Town Council, which was appointed to consider the Bill, was understood to be unanimously against it. Other Europeans, especially those representing labour interests, with whom we discussed the provision have also begun to realise its dangers. It is possible, therefore, that an influential section of European opinion here may eventually try to secure its excision. Mr. Patrick Duncan, who was Minister of the Interior in the Smuts Government, took this view. Probably the clause

was put in the Bill without full consideration of its probable results and the Union Government may, if these are pointed out to them, themselves decide to leave it out. As in their latest telegram to the Governor General of South Africa, the Government of India have already brought its defects to their notice, we need not dwell further on the importance of the attention of the Union Government being drawn to its implications.

26. Before we pass on to the portion of the Bill which deals with immigration, we shall discuss two important charges which some of our European witnesses made against the Indian community. One was that the Indian is apt to regard every piece of legislation with distrust even if it is intended to benefit him. Special reference was made in this connection to the attitude which the South African Indian Congress in Natal took up towards the Public Health Ordinance of 1923. The Indians contested it on the ground that it did not allow them either representation on the Public Health Committee which it purported to set up or any share in the selection of their members. They have succeeded for the time being, as the Ordinance has been held by the Supreme Court to be *ultra vires* of the Provincial Council. The answer to this charge is that the history of recent Natal legislation is not calculated to win their confidence. If they contest certain laws it is because they regard the laws as oppressive. The second charge was that their standard of commercial morality is not high. In support of this view it was urged that there was a larger percentage of insolvencies amongst them than among Europeans. In the joint memorandum which was submitted to us on behalf of the Natal Indian Congress, the Natal Indian Association and the British Indian Association, of the Transvaal comparative figures of European and Indian insolvencies were given. Our Secretary had these verified by the Director of Census from whom they were obtained. For the information of the Government of India we give the totals for the whole of the Union below :—

		European Insolvencies.	Asiatic Insolvencies.
1921	. . . .	1,482	227
1922	. . . .	1,772	315
1923	. . . .	1,690	211
1924	. . . .	1,476	174

While the insolvencies among Asiatics were probably in the main among traders, the details of occupation of the Europeans involved are not known. Comparison would only be relevant among persons engaged in the same categories of business and, since the Director of Census was unable to give us information as to how many of the European insolvents were traders, we cannot

draw any useful deductions from these figures. We took care, however, to inquire confidentially from European merchants who have had long dealings with Indians whether their experience supported the accusation that the Indian was less scrupulous in fulfilling his obligations than other classes, and the replies received amounted to an unanimous negative. On the contrary several of them paid a high tribute to their business integrity and honesty. We would leave the matter at that.

26 (a). **Immigration provisions of the new Bill.**—As regards the provisions of the Bill relating to immigration we need only give such information in respect of the intention of some of them as we have been able to collect informally from various officials. Sub-clause (a) of clause 16 is intended to enforce the registration of Asiatics, mostly Indians, who have recently migrated into the Vryheid District to work in coal mines. Prior to the annexation of this district, Asiatics were liable to such registration in Vryheid as in the rest of the Transvaal, of which it was a part. The proviso to the new sub-section (c) which clause 17 of the Bill seeks to substitute for para. (c) of section 3 of the Indians' Relief Act is meant to empower the Minister to compel an Asiatic to relinquish his domicile of birth if he decides to take up his residence permanently in a province of the Union other than that in which he was born.

27. We have already communicated to the Government of India our general conclusions in regard to the main provisions of the Bill. Broadly speaking, Chapter I is the most important. It seems to assume that segregation is the best cure for the social and economic troubles which are attributed to the Asiatic. Our enquiries tend to show that whether in trade or industrial occupations the alleged evil, if it exists at all, is greatly exaggerated and that commercial segregation will not remove it. On the contrary the particular form of it contemplated in clause 10 of the Bill will probably make it worse. We have also been unable to find any justification for the separation of the races for purposes of residence which the measure contemplates. If the Union Government feel that something must be done to reassure European opinion, we submit that they should first try to ascertain what the exact facts of the situation are. We do not presume that in the short time at our disposal we have completely surveyed the field. We are convinced, however, that the position is sufficiently uncertain to require a fresh and full investigation. If it serves to reveal the existence of a real Asiatic menace, perhaps the new data will also help to suggest a more satisfactory remedy. If, as we believe, it proves that the supposed menace is a myth, no measures to combat it will be necessary. In any case we cannot urge it too emphatically that the already attenuated rights of the Indian community should not be further curtailed on the strength of unsifted testimony and vague assumptions.

28. As regards the attitude of the majority of the Indian community in South Africa towards the Bill, we can only say that it is one of resentment and alarm. Their objection to its main provisions is deep-rooted and we have seen no faltering so far in their determination not to discuss the details if the Union Government regard its principles as unalterable. Were an opening given to them to discuss the principles, we have little doubt that they would avail themselves of it. It was for this reason, among others, that in our telegram of the 6th January we supported the suggestion made to us by Mr. Patrick Duncan and other responsible European gentlemen that an effort should be made to get the Bill referred to Select Committee before the second reading. The procedure which, so far as we are aware, is not common in other legislatures, is rarely adopted even in South Africa. It is constitutionally feasible, for it was strongly pressed by General Smuts and his followers during the last parliamentary session in the case of the Colour Bar Bill. The object was to secure a full discussion of the principle which cannot be challenged after a Bill has been read a second time. In the case of the Colour Bar Bill the proposal was not accepted as it emanated from the Opposition and Government felt that a concession on this point would be regarded as an act of surrender. In respect of the present Bill we have received no indication that the Union Government would agree spontaneously to adopt this somewhat unusual procedure. If they do so, it will probably be only under pressure and as an act of grace. We are now in possession, however, of the views of the Government of India in the matter and have no further arguments to urge in support of the suggestion.

29. In regard to the attitude of the local Indian community towards the Bill, two more points need to be emphasised. The first is that beyond resolving not to discuss the details the South African Indian Congress and its affiliated bodies have not yet considered what action they will take if it becomes law. At one stage we thought that if its enactment became a certainty, they might become disposed to seek an improvement of its more objectionable provisions. A few, but very few, merchants in Natal and the Transvaal seemed inclined to favour this course of action. But the general determination of the various sections of the community in those provinces with which we were able to get into touch was against any faltering towards compromise. Two gentlemen who professed to represent the Colonial born Indians saw the leader of the Deputation at Durban and put forward the view that their following should try to make terms separately with the Union Government. Though they promised to submit a detailed memorandum, they have not actually done so. In the circumstances it is impossible to give any correct idea of the real nature of their proposals and the measure of their influence. As the Colonial born Indian predominates in Natal

we doubt whether the Union Government are likely to exempt him from the purview of the Bill. To do so would be to stultify themselves. The second factor of importance is that in the Cape Province there is a tendency in some quarters to concentrate on securing exemption for the Indians who reside in it, and to leave Indians in other parts of the Union to their fate. So far, we have found this view held only by a small section of Indians in Cape Town and we cannot say whether it has supporters in other centres also. In Kimberley we met none. As the Government of India are interested in the Indian community as a whole, such sectional efforts if they materialise can only embarrass them in their efforts to protect the interests of all. We have not, therefore, encouraged such tendencies though we have made a note of them. We would observe that Dr. Gool and other prominent Indians do not subscribe to these views but share those held by the South African Indian Congress.

30. **Retaliation.**—We sought to find out confidentially through prominent Indians whether the question of retaliation had ever been considered. While one or two seemed to be in favour of it—an embargo on the import of South African coal and the export of gunny bags from India were the two forms of retaliatory action suggested—the majority were reluctant to express any opinion. The Acting Secretary of the South African Indian Congress informed us that his Committee had not so far thought about the matter.

31. **Repatriation.**—Mr. C. R. Naidu, sometime Editor of “Indians Overseas”, a Madras Periodical, wrote to the President that he should seek publicly to dispel the misrepresentations which he alleged were still being made to intending repatriates regarding conditions of employment in India, in order to induce them to leave the country. From their conversations with Indians working in the cane fields and collieries of Natal, neither Mr. Paddison nor the Honourable Syed Raza Ali were able to discover that any force or fraud was being employed to induce them to return to India. The Protector of Indian Immigrants whom they saw at Durban emphatically denied the use of such methods. His clerk, one Mr. Murliar, gave similar information. Allegations of this sort cannot, therefore, be said to have been substantiated.

This report is based only on impressions and information collected so far and may have to be supplemented hereafter especially in regard to the Cape Province.

Our colleague, Sir Deva Prasad Sarvadhikary, arrived in the country a fortnight after us and was therefore unable to see conditions for himself in Natal. He is anxious to visit that province and may do so if circumstances permit. If he does, he would consider himself free to make such additional remarks and recommendations in regard to conditions there as his personal observation might suggest. He would also prefer to have a historical

conspectus of the Indian question in South Africa included in the final report so as to make it self-contained.

32. In conclusion, we desire to express much more than the formal acknowledgment of the debt we owe to our Secretary, Mr. G. S. Bajpai, C.B.E., I.C.S. His intimate knowledge of all matters concerning Indians abroad, not only in this country but throughout the world, his mastery of every detail of the previous history of the question in South Africa, his organising capacity and his power of assimilating facts and figures, have contributed very largely to the solution of the difficult task of the preparation of this report, after a month of continuous travel in a new country during an exceptional heat wave, where every moment of our time has been taken up in outdoor inspections or in interviews with public bodies and private individuals. We would also like to record our appreciation of the industry and care with which Mr. C. S. Ricketts discharged all the duties that were entrusted to him.

We have the honour to be,

Sir,

Your most obedient Servants,

G. F. PADDISON,

DEVA PRASAD SARVADHIKARY.

S. RAZA ALI.

G. S. BAJPAI,

Secretary.

Dated, Cape Town, the 14th day of January, 1926.

(Received, Delhi, the 8th February, 1926.)

APPENDIX A.

Draft Questionnaire.

Economic.—1. What are (i) the main categories of trade in which Indians engage, and (ii) the numbers of Indians in each trade in (a) the Union, and (b) each Province?

2. What are the grades according to income in which Indian traders can be divided?

3. Has the policy of the authorities responsible for the issuing of licenses in Natal, the Cape Province and the Transvaal become more stringent or more liberal in the matter of the issue of licenses to Indians since 1920? In particular, has the Natal Rural Dealers Licensing Ordinance operated adversely to Indian interests?

4. How will the new Transvaal Dealers Licensing Ordinance affect (i) existing and (ii) future Indian trading rights?

5. In what branches of trade is competition between the Indian and the white settler (a) keen and (b) the object of resentment among the latter?

6. Is resentment, where it exists, (i) due to economic factors such as the Indian's (a) cheaper standard of living, and (b) liability to lower overhead charges, or (ii) racial?

7. As regards 6, (i) is the Indian's lower standard of living due to lack of educational and sanitary facilities to improve that standard?

8. Can the present disparity in the matter of overhead charges between the competing sections of the community be equalised (i) by fixing standard wages and (ii) regulating the hours of trade?

9. For what classes of the community does the Indian cater, and
Cf. Clause 5, of the New Bill. how would the establishment of class trading areas affect his opportunities of trading?

Agriculture.—1. What is the number of Indian agriculturists, farmers and cultivators in (i) the Union of South Africa, and (ii) in each Province.

2. What is (i) the total area of Indian holdings in (a) the Union, and (b) in each Province, (ii) the average size of an Indian holding, and (iii) the nature of crops grown by Indians.

3. Does the Indian acquire and hold agricultural land for the purpose of speculation?

4. How would clause 10 of the new Bill affect the Indian community?

5. Would it not be practicable to attract Indians voluntarily to areas of land suitable for forms of agriculture popular among them on terms and facilities for development which would make such a scheme acceptable?

Labour.—1. What is the number of Indians (i) skilled, and (ii) unskilled labourers employed in—

- (a) factories,
- (b) mines, and
- (c) agriculture?

2. What are the average daily or weekly rates of wages paid to (a) skilled and (b) unskilled Indian labour employed in the three

spheres of activity referred to in 1, above? How do these rates compare with those paid to white labour doing the same kind of work.

3. Is there any tendency to replace Indian by (i) European, and (ii) native labour in these occupations? If so, what are its causes?

4. What is the number of Indians employed in domestic service? For what class of work are they employed? Is such employment confined to men or open to both sexes? If the latter, in what proportion are the two employed?

5. What women are employed either in industry or agriculture? Is there any system of maternity benefits? Are such benefits given to workers of any community engaged on the same class of work?

Removeable property.—1. What is the approximate value of house property and land owned by Indians in (i) urban, and (ii) suburban areas?

2. How would the establishment of class residential and trading areas affect (a) the selling, and (b) the letting value of such property?

3. What are the practical objections to a system of voluntary separation under which municipalities would (a) lay out residential areas for Asiatics and (b) set aside certain streets or portions of the town for Asiatic Traders, to which existing license holders should gradually be attracted?

4. If compulsory segregation is enforced, will the authority establishing class residential and trading areas pay compensation for (i) fall in the value of property, or (ii) loss of trade?

5. If the answer to 4 be in the affirmative, what would be the agency employed for assessing the amount of damages and for awarding compensation?

Sanitary.—1. What proportion of local rates is paid by Indians in (i) the larger and (ii) the smaller municipalities? Is any portion thereof spent on providing them with services which a local body renders to the European section of its citizens.

2. Has there been any improvement in the sanitary condition of areas occupied by Indians in the Transvaal since the report of the Asiatic Enquiry Commission?

3. What is the position of Indians in suburbs like Stanger and Verulam, where it is understood, they predominate?

Education.—1. What is the number of Indian students in (a) primary schools, (b) secondary schools and (c) colleges, and what ratio do (a), (b) and (c) bear (i) to the total Indian population of school-going age in the Union and (ii) to one another?

2. How many of the institutions referred to in (a), (b) and (c) are maintained (i) by the State, (ii) with State assistance, and (iii) entirely at private cost?

3. What is the total annual expenditure on Indian education (a) throughout the Union, and (b) in each Province? What portion of this is contributed (i) by the State, (ii) by local bodies and (iii) by private individuals?

4. Where a local body makes a contribution to Indian education, what is the percentage of this contribution to its total expenditure, and how does this percentage compare with that of contributions made by such bodies for the education of other communities resident within their jurisdiction?

Cf. recommendation 5 of the summary of recommendations made by the Asiatic Enquiry Commission.

APPENDIX B.

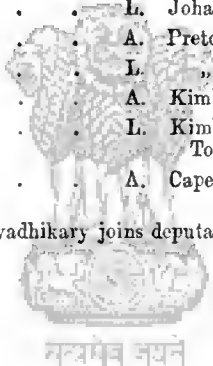
Itinerary of the Government of India deputation to South Africa.

Wednesday 23rd Dec. 1925	.	.	L.	Durban	.	.	5-40 p.m.
" " "	.	.	A.	P'Maritzburg	.	.	9-39 p.m.
Friday 25th	"	.	L.	"	.	.	9-53 p.m.
Saturday 26th	"	.	A.	Ladysmith	.	.	3-55 a.m.
Sunday 27th	"	.	L.	"	.	.	4-20 a.m.
" " "	.	.	A.	Glencoe (visit Dundee)	.	.	5-56 a.m.
Monday 28th	"	.	L.	Glencoe	.	.	6-42 a.m.
" " "	.	.	A.	Vryheid	.	.	9-11 a.m.
" " "	.	.	L.	"	.	.	5-50 p.m.
" " "	.	.	A.	Glencoe	.	.	9-29 p.m.
Tuesday 29th	"	.	L.	"	.	.	12-59 a.m.
* " " "	.	.	A.	Johannesburg	.	.	10-32 a.m.

Halt till Monday 4th January, 1926.

Monday 4th Jan. 1926	.	.	L.	Johannesburg	.	.	8-5 a.m.
" " "	.	.	A.	Pretoria	.	.	9-20 a.m.
Wednesday 6th	"	.	L.	"	.	.	7-55 p.m.
Thursday 7th	"	.	A.	Kimberley	.	.	9-45 a.m.
Saturday 9th	"	.	L.	Kimberley for Cape Town.	.	.	10-5 a.m.
Sunday 10th	"	.	A.	Cape Town	.	.	12-30 p.m.

*Sir Deva Prasad Sarvadhikary joins deputation at Johannesburg.



APPENDIX C.

Race of scholars.

	PRIMARY. INTERMEDIATE. SECONDARY.						Total.
	State.	Aided.	State.	Aided.	State.	Aided.	
European	144	33	7	...	7	4	195
					5 T. Colls.		
Native	53	377	11	42	...	5	493
Asiatic	8	39	1	...	4 T. classes.		52
Other coloured	8	11	1	...	...	...	20
Total ———	213	460	20	42	7	18	760

	BOYS ONLY.			GIRLS ONLY.			BOYS AND GIRLS.			Total.
	Prim.	Inter.	Sec.	Prim.	Inter.	Sec.	Prim.	Inter.	Sec.	
European	11	...	3	3	...	5	163	7	3	195
Native . . . . .	...	4	2	...	2	3	430	47	5	493
Asiatic	6	1	1	2	...	...	39	...	3	52
Other coloured . . . . .	...	1	...	...	...	...	19	1	1	20
Total	17	6	6	5	2	3	651	54	11	760

Classification of Schools.	ENROLMENT ON NOVEMBER 14TH, 1924.		Average enrolment for the year.	Average attendance for the year.	Percentage of average attendance to enrol- ment.
	Boys.	Girls.			
European :—					
Primary	11,290	10,146	21,257	18,939	89
Intermediate	640	517	1,157	1,086	91
Secondary	1,206	1,467	2,797	2,569	91
Native	11,791	17,783	29,728	24,868	83
Asiatic	6,985	1,267	8,446	7,167	85
Other Coloured	954	1,021	1,938	1,656	85
TOTAL	32,866	32,201	65,353	56,285	86

APPENDIX C.

Transvaal.

Race of Scholars.	Primary Schools.		*Secondary Schools.		Scholars in Primary Schools.	Scholars in Secondary Schools.
	State	Aided	State	Aided		
European . .	1,107	41	54	...	112,134	15,450
Native . .	1	358	...	4*	37,417	336
Asiatic . .	5	...	...	...	555	...
Euroafricans .	23	...	1	...	3,706	94

*These included training institutions for teachers and industrial and continuation classes.

NOTE :—The expenditure on the salaries of teachers per pupil were :

	£	s.	d.
(1) European children	13	6	6
(2) Asiatics	5	9	5



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